GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA

STARRED QUESTION NO:51
ANSWERED ON:26.07.2000
PRODUCTION OF SUGARCANE
SATYAVRAT CHATURVEDI;SUNDER LAL TIWARI

Will the Minister of AGRICULTURE be pleased to state:

(a) whether a large number of sugarcane growers of Uttar Pradesh and other States have diverted to other crops for not getting remunerative price of their produce;

(b) if so, the facts thereof;

(c) the impact on the sugar production;

(d) whether the Government have reviewed the situation in the aftermath of the decision; and

(e) if so, the concrete steps taken/being taken by the Government for immediate payment of the outstanding amount of the farmers?

Answer

MINISTER OF AGRICULTURE (SHRI NITISH KUMAR)

(a) to (e) : A statement is laid on the Table of the Sabha.

THE STATEMENT REFFERED TO IN REPLY TO PARTS (a) TO (e) OF LOK SABHA STARRED QUESTION NO.51 DUE FOR REPLY ON 26.07.2000.

(a) to (c) The figures of area and production of sugarcane in the State of Uttar Pradesh and at All India level are given in Table I below:
Table – I

(Area in Lakh Hectares, Production in Lakh Tonnes)

Year	U.P.		All-India	
	Area	Production	Area	Production
1993-94	17.61	1040.82	34.22	2296.59
1998-99	19.71	1163.02	40.76	2957.26
1999-2000+	19.63	1199.74	40.56	3093.07

\+ (Advance Estimates)

It is seen from table-I that though there is expected to be a marginal decline in area under sugarcane in 1999-2000 over 1998-99, there is a long term increase in area and production under sugarcane in the State of U.P. and at all-India level. Even in 1999-2000, the production of sugarcane is likely to be higher than in 1998- 99 because of higher yield.

(d) & (e) To reduce arrears of payment due to farmers, the Government of India have taken the following remedial measures:

i) Steps have been taken to restrict the inflow of imported sugar in the country, and towards this end the custom duty has been increased to 60% alongwith the existing countervailing duty of Rs.850/- per tonne.

ii) The levy obligation of domestic sugar factories has also been reduced from 40% to 30 % with effect from 1.1.2000. This would improve the financial position of sugar factories which would enable them to pay the cane prices to farmers promptly.

iii) Judicious release of free sale sugar quotas so as to encourage stability and maintaining reasonable level of sugar price in the domestic market. This will also enable the sugar factories to improve their earnings and help in clearing arrears.